

FY 2019-20 Supplemental Capital Construction Request

Public Health and Environment

Replace Mechanical System, Laboratory Building (Capital Renewal)

MOTION

Approve the supplemental request from the Department of Public Health and Environment to extend the time for completion of the Replace Mechanical System, Laboratory Building (Capital Renewal) project to June 30, 2025.

GENERAL INFORMATION

2019-096

1. Which supplemental criterion does the request meet?

Unforeseen Contingency

Use of the facility for COVID-related activities on a round-the-clock basis and a subsequent capital construction project at the facility interrupted the project's schedule, resulting in the need for the Department of Public Health and Environment (CDPHE) to seek an extension of the project's timeline.

2. Which projects will be restricted to fund the supplemental request?

An emergency restriction is not required because this is a regular supplemental. Further, no additional state funds are sought under the request.

3. Has the request been approved by OSPB and CCHE?

Yes

PRIOR APPROPRIATION AND SUPPLEMENTAL REQUEST INFORMATION

The appropriation to be amended was authorized in the following bill: HB20-1259

<u>Fund Source</u>	<u>Prior Appropriations</u>	<u>Supplemental Request</u>	<u>Future Requests</u>	<u>Total Costs</u>
CCF	\$2,821,506	\$0	\$0	\$2,821,506
Totals	\$2,821,506	\$0	\$0	\$2,821,506

REASON FOR SUPPLEMENTAL REQUEST

The project was originally requested as a two-phase controlled maintenance project, but received initial, first-phase funding approval in summer 2019 under an emergency supplemental request in response to rapid building system deterioration. The project was subsequently fully funded in the 2020 supplemental capital construction bill, which was signed by the Governor in March 2020, weeks before a stay-at-home measure associated with COVID was announced. CDPHE began using the facility for COVID testing at that point, and the building's mechanical systems could not be shut down for refurbishment. In early 2021, the department received a federal grant of \$15.6 million from the federal Centers for Disease Control and Prevention to remodel the building on a tight deadline. CDPHE says it cannot run two major construction projects in the building concurrently. The grant-funded project is expected to be completed in December 2023 but, since the spending authority for this project expires at the end of the FY 2022-23 fiscal year, CDPHE is seeking an extension of time for the project until June 30, 2025.

SUMMARY OF PROJECT

The project upgrades or replaces components of various mechanical systems in the Laboratory Building, where the department performs laboratory certifications, environmental chemistry and microbiology services, breath-alcohol testing, and newborn screening. The department says the systems are at the end of their design life for the facility type, and system failure would impact ongoing lab work. Systems to be replaced include the steam boiler, hot water boilers, expansion tank, chillers, cooling towers, condenser water pumps, rooftop unit components, and air compressor. The most critical portion of the project (HVAC controls) was completed in the fall of 2020.

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QUESTIONS / OUTSTANDING ISSUES

None.